



## Agreement signed for the financing of Pharnext by Néovacs

PARIS, France, January 19<sup>th</sup>, 2023, at 8h30 (CET) - Néovacs (FR00140077X1 - ALNEV), a French biotech company specializing in therapeutic vaccines for the treatment of autoimmune diseases and supporting promising BioTech and MedTech companies, and Pharnext SA (FR001400BV89 – ALPHA), an advanced late-clinical stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases with high unmet medical need, today announce that they have signed a financing agreement.

This new agreement provides a framework for the financing of Pharnext by Néovacs under the financing and strategic support agreement announced on December 28, 2022. It is intended to ensure that Pharnext has the financial capacity to cover its cash requirements in the event that Pharnext is unable to use the OCEANE-BSA financing agreement granted by Global Tech Opportunities 13 ("GTO 13"), as was the case in December 2022. In this context, Néovacs has committed to increase its financial support up to an additional €2 million per month by the end of 2023<sup>1</sup>.

Under the terms of the agreement, Néovacs ensures the provision to Pharnext, until December 31, 2023 (inclusive), of a maximum principal amount of €24 million. Néovacs is thus covering Pharnext's potential financing needs until the expected publication of the first results of the pivotal Phase III clinical trial of PXT3003 in Charcot-Marie-Tooth disease type 1A (CMT1A).

Pharnext may thus, at any time, in one or more steps, call from Néovacs the amount required in tranches of a nominal amount of €100,000 each. The loan will bear interest at an annual rate equal to the 12-month EURIBOR rate + 12%. The principal may be repaid at any time by Pharnext, but in any event no later than June 30, 2024. Neovacs may elect to refund all or part of the principal in cash and/or by offsetting it against a claim on Pharnext that is certain, liquid and due. Interest must be repaid in cash at the same time as the principal is repaid. If the loan is not repaid before June 30, 2024, the interest rate on the amounts loaned but not repaid will, as from that date, increase to an annual rate equal to the 12-month EURIBOR rate + 20%.

Neovacs' commitment is subject to compliance, on the day a tranche is called, with each of the following conditions:

- Pharnext is not in suspension of payments or, if Pharnext has been in suspension of payments for less than 45 days, the availability of the sums called is such as to put an end to this state;
- GTO 13 has not paid all the tranches called by Pharnext under the OCEANE-BSA financing contract;
- the amount called by Pharnext under the Agreement is not greater than the difference between (x) the amount (in principal) not financed by GTO 13 under the OCEANE-BSA financing agreement and (y) the aggregate amount paid by Néovacs to Pharnext under the Agreement; and

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<sup>1</sup> Read press release: Pharnext strengthens its ties with Néovacs to secure the next steps in its development

- the provision by Néovacs of the sums called by Pharnext does not have the purpose or effect, directly or indirectly, of constituting (x) a breach of any of the undertakings given by Pharnext to Néovacs under the OBSA financing agreement announced on October 3, 2022, (y) a breach of any of the representations and warranties given by Pharnext under this agreement, and/or (z) an "Event of Default".

In consideration for Neovacs' commitment, Pharnext shall pay to Neovacs a commitment and structuring fee equal to 1% of the maximum amount (in principal) that could be funded by Neovacs (24 MEUR), i.e. 240.000 euros (excluding tax). This fee will be paid progressively, by instalments equal to 1% of each tranche drawn by Pharnext, the balance being paid in cash along with the reimbursement of the principal of the tranches drawn.

#### **About Néovacs**

Néovacs is a French biotech company listed on Euronext Growth since 2010. The Company is focused on therapeutic vaccines targeting the treatment of autoimmune diseases. Its innovative technology named Kinoid™, patented until 2038, induces a polyclonal immune response, applicable in several indications. Neovacs has developed the IFN $\alpha$  KINOID to treat lupus in a clinical phase IIb study, the main study is now ended and the full results have been presented at the 13th international Lupus Congress 2019. The Company also carried out preclinical work on IL-4/ IL-13 Kinoid, another therapeutic vaccine for the treatment of allergies. The aim of this "KINOID approach" is to enable patients to better cope with a life-long treatment that would be more effective, well tolerated and unburdensome. For more information: [www.neovacs.fr](http://www.neovacs.fr).

#### **About Pharnext**

Pharnext is an advanced clinical-stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases that currently lack curative and/or disease-modifying treatments. Pharnext has two lead products in clinical development. PXT3003 completed an international Phase III trial with positive topline results for the treatment of Charcot-Marie-Tooth disease type 1A ('CMT1A') and benefits from orphan drug status in Europe and the United States. An international pivotal Phase III study of PXT3003 in CMT1A, the PREMIER trial, is currently ongoing. PXT864 has generated encouraging Phase II results in Alzheimer's disease and will be advanced through partnerships. Both of Pharnext's lead assets originated from the Pleotherapy™ R&D approach. Pharnext draws the attention of investors to the financial and other risk factors detailed in its financial reports. More information can be found at [www.pharnext.com](http://www.pharnext.com).

Pharnext is listed on the Euronext Growth Stock Exchange in Paris (ISIN code: FR001400BV89).

Jérôme FABREGUETTES-LEIB  
Financial Communication  
[jfl@actus.fr](mailto:jfl@actus.fr)  
+33 (0)1 53 67 36 78

Déborah SCHWARTZ  
Media Relations  
[dschwartz@actus.fr](mailto:dschwartz@actus.fr)  
+ 33 (0)1 53 67 36 35

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<sup>2</sup> Read press release: Pharnext executes a financing agreement with Néovacs for EUR 20.7 million net to further develop PXT3003 for Charcot-Marie-Tooth disease type 1A